

DECEMBER 3, 1979

THE DIRECTOR OF THE DIVISION OF STATE LANDS TOOK FORMAL ACTION ON DECEMBER 3, 1979, AT 10:00 A.M. IN THE STATE LAND OFFICE, ROOM 411, EMPIRE BUILDING, 231 EAST 400 SOUTH, SALT LAKE CITY, UTAH 84111, ON THE BELOW LISTED MINERAL AND SURFACE BUSINESS MATTERS AS INDICATED.

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MINERAL LEASE APPLICATIONS

OIL, GAS AND HYDROCARBON LEASE APPLICATIONS - APPROVED JB

Upon recommendation of Mr. Blake, the Director approved the Oil, Gas and Hydrocarbon lease applications listed below at a rental of \$1.00 per acre per annum; royalty as provided in the lease form approved by the Board of State Lands. The applications have been checked by the Mineral Division and found to be in order. The land status has been examined and the lands found to be open and available.

Mineral Lease Appl. No. 37363	<u>T40S, R16W, SLM</u>	Washington
Robert W. Adkins	Section 36: $S\frac{1}{2}SW\frac{1}{4}$	80.00 acres
P.O. Box 565		
Coalville, UT 84017		

Mineral Lease Appl. No. 37364	<u>T41S, R13W, SLM</u>	Washington
Robert W. Adkins	Section 33: Beg. at the NW cor of lots 28, block 12 of the Hurricane Field Survey, as platted on the official map of said survey, & running th E 15 ch, th S 12.04 ch, th W 5.50 ch, th in a NW'ly direction to the pob.	
	<u>T42S, R13W, SLM</u>	
	Section 10: $NE\frac{1}{4}SE\frac{1}{4}$	
	Section 18: Lots 8,11	132.34 acres

OIL, GAS & HYDROCARBON LEASE APPLICATION - REJECTED JB

Upon recommendation of Mr. Blake, the Director rejected the Oil, Gas and Hydrocarbon Lease application listed below and ordered the refund of the advance rental to the applicant. The filing fee is forfeited to the State.

Mineral Lease Appl. No. 37365	<u>T42S, R14W, SLM</u>	Washington
Robert W. Adkins	Section 32: A11	680.00 acres
P.O. Box 565	Section 29: $SE\frac{1}{4}SW\frac{1}{4}$	
Coalville, UT 84017		

REJECTED because the land has been withdrawn for Warner Valley Project  
Refund: \$680.00

CORRECTION OF DIRECTOR'S MINUTES - OCTOBER 16, 1978 JB

ML 36235 - METALLIFEROUS MINERALS

On September 25, 1978, Ferno Dubray submitted MLA 36235 for lands as described below:

<u>T8S, R20E, SLM</u>	Uintah Co.
Section 32: Lots 1,2,3	9.72 acres

<u>T7S, R21E, SLM</u>	
Section 1: Lot 3	
Section 2: Lots 4,5,6,7	
	<u>136.86 acres</u>
	146.58 acres total

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CORRECTION OF DIRECTOR'S MINUTES - OCTOBER 16, 1979 CONTINUED *q3*

ML 36235 - Metalliferous Minerals

The application was approved October 16, 1978, but should have been partially rejected as to T8S, R20E, Section 32: Lots 1,2,3, Uintah county, 9.72 acres for reason of non-contiguity, and approved only as to the above land in T7S, R21E, with a corrected acreage of 138.56 acres.

Mr. Duray subsequently requested on October 26, 1978, that this lease be amended to include the following lands.

<u>T7S, R21E, SLM</u>	
Section 1: Lot 5	
Section 2: Lot 8	38.78 acres

The minutes do not indicate that this request was presented to the Director for approval although the lease was issued to include these lands.

Upon recommendation of Mr. Blake, the Director approved the following changes to resolve this situation:

1. The following lands should be deleted from ML 36235 and made to constitute a new lease ML 36235-A.

<u>T8S, R20E, SLM</u>	Uintah Co.
Section 32: Lots 1,2,3	9.72 acres (School fund)

2. ML 36235 should be reconstituted to include the following lands:

<u>T7S, R21E, SLM</u>	Uintah Co.
Section 1: Lots 3,5	
Section 2: Lots 4,5,6,7,8	177.34 acres (School fund)

NOVEMBER SIMULTANEOUS BID LEASING UNIT #205

ML 30441 Coal

The above numbered lease was cancelled May 21, 1979 for reason of non-payment of 1979 rentals and was subsequently placed upon the November simultaneous offering list as leasing Unit No. 205.

On November 21, 1979, the bankruptcy court of Judge Ralph Mabey issued a temporary restraining order preventing the sell of leasing Unit No. 205 for reason that ML 30441 is listed as an asset by Atlas-Dirty Devil Mining Co. which is presently in Chapter II proceedings.

On November 23rd Mr. James Wardle deposited a check for delinquent rentals and penalties in the amount of \$680.52 for the reinstatement of ML 30441 with the understanding that if reinstatement is granted the chain of title at the time of cancellation will stand on the records of the Division (ie., Lessee: James Wardle and Associates; with sublease to Atlas Resources Inc. and assignment of sublease to Atlas-Dirty Devil Mining Co.)

On November 27th the Attorney General recommended that the State contest the authority of the bankruptcy court to prevent cancellation of a delinquent mineral lease involving State trust lands and that only the high bid for leasing Unit No. 205 be held in obedience pending the outcome of such litigation.

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NOVEMBER SIMULTANEOUS BID LEASING UNIT #205 CONTINUED *JB*

ML 30441 Coal

Therefore, upon recommendation of Mr. Blake, the Director approved that, pending litigation concerning the authority of the bankruptcy court to stay cancellation of ML 30441, the Division (1) hold in suspense the rental check submitted for ML 30441, by James Wardle, with the understanding that such check is accepted as payment only in the event that ML 30441 is reinstated and that any such reinstatement will be as per the Division records at the time of original cancellation of this lease; (2) hold in suspense the high bid submitted on leasing Unit No. 205 on the November simultaneous offering with the understanding that such bid will be accepted only in the event that such offering and sale of leasing Unit No. 205 is legal, (3) return all low bids received for leasing Unit No. 205 on the November simultaneous offering with explanation that such bids will be rejected should the offering and sale of leasing Unit No. 205 be legal; and (4) hold in suspense all filing fees submitted on leasing Unit No. 205 on the November simultaneous filing pending a legal decision whether or not such offering and sale is legal.

Leasing Unit No. 205 Bids:

High Bid: \$961.32	James Wardle 745 East Center Springville, UT 84663
Low Bid: \$686.21	Jack J. Grynberg 1050 - 17th Street #1950 Denver, CO 80265

EXPLORATION BOND

ML 17663-4 Metalliferous minerals. *JB*

Ranchers Exploration & Development Corp. has submitted a check #1001548, Albuquerque National Bank, \$1,000, as bond for exploration work planned for the above numbered leases. The Bond is in order, therefore, upon recommendation of Mr. Blake, the Director accepted this bond.

STATEWIDE BOND --ENERGY RESERVES GROUP, INC *JB*

Energy Reserves Group, Inc. has submitted a \$25,000.00 bond #86-7227, with Seaboard Surety Company as surety to cover its exploration operations on State lands statewide. The bond is in order, therefore, upon recommendation of Mr. Blake, the Director accepted this bond.

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CORRECTION OF DIRECTOR'S MINUTES - SEPTEMBER 5, 1978 *JP*

On September 5, 1978, an assignment from John C. Osmond to William B. Holder affecting ML 19875 was approved as a total assignment of all of the lands in this lease. It has now been called to our attention that it was in actuality a partial assignment of 80.00 acres out of the 400.00 acres included in the original lease.

Therefore, upon recommendation of Mr. Prince, the Director approved the correction of the Director's Minutes of September 5, 1978, to record the assignment of the SE $\frac{1}{4}$ NE $\frac{1}{4}$ , NE $\frac{1}{4}$ SE $\frac{1}{4}$  Section 17, Township 4 South, Range 20 East, SLM., as a partial assignment rather than a total assignment. The new lease to be numbered ML 19875-A.

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ADJUSTMENT OF GRAZING FEE

KMH

GL 21406

Grazing fee involving GL 21406 in the name of Kenneth Middleton should be 1,282.5 acres at 9¢ per acre, total of \$115.43. Funds: 160.00 acres school fund; 1,122.5 acres University of Utah fund. Upon recommendation of Mr. Higgins, the Director approved this correction of acreage.

CANCELLATION OF SPECIAL USE LEASE

KMH

SULA NO. 429

Utah State Land Board at their October 16, 1978, meeting approved two special use leases, No 429 and No. 420, to Mr. Robert Holt for agricultural development. Since that time SULA No. 429 has not been completed. By letter of November 13, 1979, Mr. Holt indicates that because of excessive costs of getting power to the site, he will not be able to complete and execute the lease; therefore, upon recommendation of Mr. Higgins, the Director approved the cancellation of SULA No. 429 as requested by Lessee.

RIGHT OF WAY APPLICATION

KMH

RIGHT OF ENTRY - APPROVED

R/W No. 1856 Pacific West Exploration Company, P.O. Box 518, Panguitch, Utah 84759 has applied for a permit to conduct a geophysical survey across State land:

Township 33 South, Range 6 West, Sec 36	Garfield County
Township 31 South, Range 2 West, Sec 16 & 36	Piute County
Township 30 South, Range 1 West, Secs 13,14, 22,23,27,32,33,34	Wayne County
Township 30 South, Range 1 East, Sec 7	Wayne County

The fee for this survey is \$425.00, plus the application fee of \$20.00, total of \$445.00. School fund. Upon recommendation of Mr. Higgins, the Director approved this Right of Entry.

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GRAZING LEASE ASSIGNMENTS

MMW

Upon recommendation of Mr. Wall, the Director approved the Grazing Leases as listed below.

- GL 17084 - LA 19532 J. Perry Olsen has submitted an assignment of this grazing lease to H. E. Graham, 1312 Garland, Plainview, TX 79072
- GL 21008 Raymond Anderson has submitted assignments of these grazing leases to J. Perry Olson, 510 Bookcliff Ave. Grand Junction, CO 81501.
- GL 21010 Raymond Anderson has submitted assignments of these grazing leases to Red Wash Rancho, dba Circle Bar Ranch, Inc., c/o Cleve Preece, Box 696, Craig, CO 81625
- GL 19919
- GL 20216

CERTIFICATE OF SALE ASSIGNMENT

MMW

C 24188 Harry D. Buckley has submitted an assignment of this Certificate of Sale to James W. Clyde and Larry F. Clyde, Boc 136, Roy, Utah 81625

Upon recommendation of Mr. Wall, the Director approved this assignment.

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RIGHT OF WAY APPLICATIONS *RBV*

R/W No. #1853 SPKRE-C, DACA 05-5-75-187

The Department of the Army, Sacramento District, Corps of Engineers, 650 Capitol Mall, Sacramento, California, has filed an application for a Right of Way across State lands in San Juan County:

Township 37 South, Range 21 East, Sec 36: All  
Township 37 South, Range 22 East, Sec 32:  $S\frac{1}{2}NW\frac{1}{4}$   
Township 38 South, Range 21 East, Sec 2: Lots 1-4,  $SW\frac{1}{4}$ ,  $N\frac{1}{2}SE\frac{1}{4}$ ,  $SE\frac{1}{4}SE\frac{1}{4}$   
Sec 36: All  
Township 38 South, Range 22 East, Secs 16, 32, 36: All  
Township 39 South, Range 21 East, Sec 2  
Township 39 South, Range 22 East, Sec 2: Lots 1-4,  $S\frac{1}{2}NE\frac{1}{4}$ ,  $SE\frac{1}{4}SE\frac{1}{4}NW\frac{1}{4}$ ,  $SE\frac{1}{4}SW\frac{1}{4}$   
Sec 16: All;  
Sec 12:  $E\frac{1}{2}NE\frac{1}{4}$ ,  
Sec 32: All

This State land is a part of the White Sands Missile Range evacuation area and the purpose of this Right of Way is to allow the army to search for and remove any missile parts or missiles which may fall on State land as a result of the missile firing and to erect temporary signs on the State land in conjunction with the missile testing program.

The fee for this easement has been set at \$30.00 per section, or any portion thereof for a total of \$360.00, plus the \$20.00 application fee. The Right of Way will remain in force on a year to year basis so long as payment is received, but will expire on December 31, 1984. School fund. Upon recommendation of Mr. Wilcox, the Director approved this Right of Way.

RIGHT OF ENTRY - APPROVED *RBV*

R/W No. 1852 ARMA Geophysical Co., c/o Jim Shemwell, P.O. Box 1149, Monticello, Utah 84535, has submitted an application for a Right of Entry to conduct a shot-hole seismic survey on State land in San Juan County:

Township 31 South, Range 22 East, Sec 16

The charge for this \$280.00 for 14 shotholes, plus \$20.00 application fee, total of \$300.00. School fund. The expiration date is February 29, 1980. Upon recommendation of Mr. Wilcox, the Director approved this Right of Entry.

RANGE IMPROVEMENT PROJECT - DEFERMENT OF LEASE FEE *RBV*

GL 20527 Lisle G. Adams of Monticello, Utah has requested permission to improve the rangelands leased to him under this grazing lease. The State land is in

Township 37 South, Range 20 East, Sec 32

Mr. Adams has been cooperating with the Soil Conservation Service in Monticello and the project has been incorporated in a work unit plan. He has obtained money from the State Department of Agriculture Rangeland Improvement Fund and also has some ASCS funds.

A site search was conducted by the State Preservation Archeologist with the result given to the SCS District Conservationist, who is working closely with the Lessees in staking out and protecting any cultural resources.

The improvement practices will consist of chaining the pinion, juniper forest in one direction, aerial seeding of crested wheatgrass, and then chaining in the opposite direction. The section will then be fenced and grazing will be deferred for two years. Upon recommendation of Mr. Wilcox, the Director approved this range improvement project and the grazing fee to be deferred until January 1, 1982.

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SPECIAL USE LEASE AGREEMENT AMENDMENT *234*

SULA No. 424 Vail F. Hatt, River Terrace Motel, P.O. Box 436, Green River, Utah 84525 has requested permission to enlarge the size of the sign allowed under this Special Use Lease Agreement from 10 feet by 40 feet to a size of 15 feet by 50 feet. The change will be to the sign company's standard size and it has been approved by the Department of Transportation. This SULA is for State land in Township 21 South, Range 16 East, Sec 9. Upon recommendation of Mr. Wilcox, the Director approved this Amendment to SULA NO. 424.

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TRANSFER OF RIGHTS OF WAY FROM SUSPENSE TO GENERAL ACCOUNT *(PM)*

<u>NAME</u>	<u>ACCOUNT NO.</u>	
Sun Gas Co.	R/W 1753	686.67
Texaco Inc.	R/W 1788	107.50
GeoScience Petroleum	R/W 1638	275.00
City of Washington	R/W 1720	40.00
Pacific West Exploration	R/W 1728	170.00
Seismography Service	R/W 1702	50.00
Engineering Specialists	R/W 1733	110.00
Mobil Exploration	R/W 1744	170.00
Pacific West Exploration	R/W 1705	305.00
Seismograph Service Corp.	R/W 1704	102.50
Marathon Oil Co.	R/W 1703	80.00
University of Utah	R/W 1757	170.00
Mobil Exploration	R/W 1742	50.00
Northwest Pipeline	R/W 1735	4,792.00
Pacific West Exploration	R/W 1737	185.00
Seismograph Service Corp.	R/W 1718	50.00
Mountain Geophysical	R/W 1717	520.00
Seismograph Service Corp.	R/W 1719	50.00
Mile Hi Exploration	R/W 1743	665.00
Mountain Geophysical	R/W 1745	70.00
Texaco Inc.	R/W 1749	463.00
Anaconda Copper	R/W 1750	205.00
Pacific West Exploration	R/W 1751	350.00
Utah Power and Light	R/W 1697	188.54
Utah Power and Light	R/W 1765	385.00
Utah Power and Light	R/W 1763	95.00
JDK Inc.	R/W 1756	1,760.00
Phillips Petroleum	R/W 1772	420.00
Pacific West Exploration	R/W 1780	445.00
Western Geophysical	R/W 1783	432.50
Seismograph Service Corp.	R/W 1782	309.00
Seismograph Service Corp.	R/W 1785	270.00
Terra Water Corp.	R/W 1770	40.00
City of Riverton	R/W 1740	170.00
Pacific West Exploration	R/W 1739	200.00
Amoco Minerals	R/W 1741	665.00
Natural Gas	R/W 1738	274.00
Northwest Pipeline	R/W 1654	911.72
Geophysical Service Inc.	R/W 1807	270.00
Northwest Pipeline	R/W 1769	180.00
Grand Co. Water	R/W 1579	2,224.15
Petroleum Geophysical	R/W 1784	620.00
Utah Department of Transportation	R/W 1787-D	3,125.00

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TRANSFER OF RIGHTS OF WAY FROM SUSPENSE TO GENERAL ACCOUNT CONTINUED

<u>NAME</u>	<u>ACCOUNT NO.</u>	
Western Geophysical Co.	R/W 1777	376.00
C. G. G. Crew	R/W 1773	110.00
American Electric Power	R/W 1776	359.39
Utah Dept. of Transportation	R/W 1600-D	2,275.00
C. G. G. Crew	R/W 1747	132.00
Delta Exploration	R/W 1752	1,020.00
Pacific West Exploration	R/W 1754	125.00
JDK Inc.	R/W 1768	440.00
Pacific West Exploration	R/W 1791	170.00
Geophysical Service	R/W 1795	270.00
GSI Geophysical	R/W 1805	70.00
Geophysical Services	R/W 1816	220.00
Geophysical Services	R/W 1790	770.00
Seismograph Service	R/W 1817	70.00
Salifornia Pacific	R/W 1786	2,913.15
Utah Dept. of Transportation	R/W 1714-D	13,200.00
Utah Dept. of Transportation	R/W 1713-D	4,225.00
Utah Dept. of Transportation	R/W 1710-D	8,190.00
Utah Dept. of Transportation	R/W 1711-D	720.00
Utah Dept. of Transportation	R/W 1712-D	6,825.00
Texaco Inc.	R/W 1774	65.00
Geophysical Services	R/W 1766	80.00
Northwest Pipeline	R/W 1759	180.00
Seismograph Services	R/W 1725	110.00
Marathon Oil Co.	R/W 1695	110.00
AMCA Coal Leasing	R/W 1662	692.08
Utah Power and Light	R/W 1639	264.20
Marathon Oil Co.	R/W 1709	95.00
Petty Ray Geo.	R/W 1680	340.00
	Voucher #570026	67,068.40

INTEREST RATES

Prime Rate  
Federal Funds  
Discount Rate

CURRENT WEEK

15-1/2  
11-1/2  
12-1/4

YEAR AGO

8.75  
7.49  
7.00

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*William K. Dinehart*  
\_\_\_\_\_  
WILLIAM K. DINEHART, DIRECTOR  
DIVISION OF STATE LANDS

*Verna A. Petersen*  
\_\_\_\_\_  
VERNA A. PETERSEN, RECORDS SUPERVISOR

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